IMPLICATION OF BUSINESS PARTNERSHIP ON THE IMPROVEMENT OF LOCAL BUSINESS IN MANADO

IMPLIKASI KEMITRAAN BISNIS TERHADAP PENINGKATAN BISNIS LOKAL DI MANADO

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Abstract: Business partnership nowadays keep involving and become one of the important role in determining business success, by conducting a business partnership both parties can further expand their respective businesses. In Manado business partnership already done by many owners of local businesses; in this case the partnership between SMEs and Gojek. This research aims to analyze how business partnership with Gojek affect the improvement of SMEs in Manado. This research using qualitative method with in-depth interview to collect the data. The samples in this research are 20 owners of SMEs from food and beverages sector in Manado. The result showed business partnership with Gojek has a significant influence on SMEs improvement in Manado. Proven by their statement that their business improved by this partnership, however not all of them have significant improvement. This study suggested that those entrepreneurs need to concern more on what factor that can make this partnership give a significant improvement on their business, also for the government to concern about the existence and the longevity of this business partnership.

Keywords: Business Partnership, SMEs, Business Performance

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Abstrak: Kemitraan bisnis saat ini terus berkembang dan menjadi salah satu peran penting dalam menentukan keberhasilan bisnis, dengan melakukan kemitraan bisnis kedua belah pihak dapat semakin mengembangkan bisnisnya masing-masing. Di Manado kemitraan bisnis sudah banyak dilakukan oleh pemilik bisnis lokal; dalam hal ini kemitraan antara UKM dan Gojek. Menurut Badan Pusat Statistik, pertumbuhan UKM di Manado cukup signifikan, yang tetap menjadi perhatian bagaimana peningkatan UKM setelah mereka melakukan kemitraan dengan Gojek. Penelitian ini bertujuan untuk menganalisis bagaimana pengaruh kemitraan bisnis dengan Gojek terhadap peningkatan UKM di Manado. Metode pengumpulan datanya menggunakan metode kualitatif dengan melakukan wawancara dengan pelakuusaha. Sampel dalam penelitian ini adalah 20 pemilik UKM yang berfokus pada sektor makanan dan minuman di Manado. Hasil penelitian menunjukkan kemitraan bisnis dengan Gojek terhadap peningkatan UKM di ari pernyataan para pelaku usaha bahwa bisnis mereka meningkat dengan kemitraan ini, namun tidak semuanya mengalami peningkatan yang signifikan. Kajian ini menyarankan agar para pengusaha tersebut perlu lebih memperhatikan faktor apa saja yang dapat membuat kemitraan ini, nagan signifikan bagi usahanya, juga agar pemerintah memperhatikan keberadaan dan kelangsungan kemitraan usaha ini.

Kata kunci: Kemitraan Bisnis, UKM, Kinerja Bisnis

INTRODUCTION

Research Background

Business Partnership now days keep evolving and become one of the important role in determining business success, by conducting a business partnership both parties can further expand their respective businesses. Basically the purpose and objective of the partnership is to help the partners and certain parties in establishing a win-win solution and be responsible. In the global economy, the ability to develop properly can be created and supported by the success of cooperation and it can make a business face the tough competition.

Small and medium businesses are businesses that are experiencing development in Indonesia, by looking at opportunities that are profitable and do not require huge capital to start this business, making many new small businesses emerge. Within this umbrella there are three different categories: medium-sized, small, and microbusinesses. These categories are defined by turnover.

Formerly in running SMEs, site selection is very important to get customers, can be seen from the many SMEs that we can find in the campus area, shopping areas, tourist attractions and other strategic places. however, from time to time developments occur, the entry of Gojek in this case Gofood's services in Manado makes SMEs able to do business from their homes just because customers who no longer need to visit the place of business to make transactions.

With all the advantages given by Gojek, there are still many issues regarding the partnership of SMEs and Gojek as the main provider. First regarding the technicality issues from Gojek; the expectation of the partnership is the SMEs can get customers in a fast manner and also gain new one by giving the information on the application of Gojek.

With the convenience that is obtained when making transactions, the intention of the buyer increases, making the SMEs become developed. Therefore, on average, SMEs owners have already partnered with Gojek, so the problem is whether after deciding to partner with Gojek, they develop or not

Research Objective

The research objectives are to find out how business partnership with Gojek affect the improvement of SMEs in Manado.

THEORETICAL REVIEW

Marketing

Kotler and Armstrong (2010) marketing is the social process by which individuals and organizations obtain what they need and want through creating and exchanging value with others. The definition is based upon a basic marketing exchange process, and recognizes the importance of value to the customer.

Marketing Strategy

Kotler (2003) stated that marketing strategy is marketing logic according to which the business unit is marketing. Marketing strategy focuses on target customers. The company chooses a market, divide it into segments, select the most viable ones and consolidates its forces in the service segment.

Business Partnership

Jean Murray (2019) stated that business partnership is a specific kind of legal relationship formed by the agreement between two or more individuals to carry on a business as co-owners. A partnership is a business with multiple owners, each of whom has invested in the business.

Small Medium Enterprise

Petrakis and Kostis (2012), the role of interpersonal trust and knowledge in the number of small and medium enterprises has effect on SMEs. They conclude that knowledge positively affects the number of SMEs, which in turn, positively affects interpersonal trust. Note that the empirical results indicate that interpersonal trust does not affect the number of SMEs. Therefore, although knowledge development can reinforce SMEs, trust becomes widespread in a society when the number of SMEs is greater. In the level of SMEs; employees can be categorized in a rather small numbers compare to other type of business.

Business Performance

Geishecker and Buytendijk (2002) is a set of performance management and analytic processes that enables the management of an organization's performance to achieve one or more pre-selected goals. In term of analytical or statistical performance of a certain business; it can be seen toward the business financial performance overall which is also a part of business performance. The utilization of business performance management can be essential for the company because it can determine the well being of the business in the end; the well being of the business talk about the business status quo and how it can survive or even lead the current sector that the business currently compete it.

Previous Research

Dainora Grundey and Ingrida Daugėlaitė (2009) in developing the economy of the people in the era of globalization with high competitive power requires the right approach. The partnership model is one way to improve community competitiveness, especially in the small business sector. However, in realizing and developing a partnership model, it will be very difficult to apply if it is only carried out by the community independently, especially the lower classes of society. The presence of the Government and third parties is needed in helping to establish partnerships. It is essential to initiate the realization of business partnerships among the community. The role of Religious and Social Organizations as third parties has proven to have a significant contribution in advancing the nation, especially in the fields of education, health, and social assistance."

Saptana, Arief Daryanto, Heny K. Daryanto dan Kuntjoro (2010) the main objective of this study is to analyze partnership strategy to support red chili agri business on production central in wet low land area and dry high land area. Empirically there are two types of partnership general trade and contract farming with several variation. An example is the partnership developed by PT. Henz ABC that acts as the nucleus firm. The advantages of business partnership include more efficient in collecting and transportation activity, price is relatively stable in the contract system, support the farmers to produce high quality product, guarantee supply continuing for the nucleus firm .The development strategy of partnership business can be implementation by social process mature, base on high trust between agribusiness agent expected to improve red chili agribusiness competitiveness. Sources of competitiveness include planted area, expansion ,increasing productivity ,improving farming and marketing efficiency, and value added creation from all of activities in the agribusiness system."

Narni Farmayanti, Dinarwan Dinarwan, Bayu Cahyono (2007) partnership of contract farming system is the one of solution for economic problem in Indonesia. PT Aqua Farm Nusantara has been carried out contract farming system with small fish farmers in Kalasan Sub-district, Sleman Regency, Special Region of Yogyakarta Province. The research uses a case study method, and purposive sampling is made to get primary and secondary data. The research is aimed to learn contract-farming implementation technically, to identify obstacles and benefit of contract farming system, and to analyze impact of the system between the company and its partner and nonpartner fish farmers. Qualitative and quantitative data method is used to calculate the outcome of the farms of the participants."

Conceptual Framework



Figure 1. Conceptual Framework Source: Data Analysis Method (2019)

RESEARCH METHOD

Research Approach

This research use qualitative methodology to discover how business partnership with Gojek affect the improvement of SMEs in Manado. The phrase qualitative methodology refers in the broadest sense to research that produces descriptive data – people's own written or spoken words and observable behavior

Population, Sample, and Sampling Technique

The population in this research is the owner of SMEs in Manado who partnered with Gojek; the SMEs in this case are the business that currently compete in food and beverage sector. The sample size of the research will be take 20 food and beverages SMEs informant that have do partnership with Gojek for at least 6 months; the timeframe of 6 months is essential because the effect of partnership can be seen with those 6 months in these 20 SMEs within the research. Sample method that can be used for this research is purposive sampling method. Purposive sampling can be define as identifying and selecting individuals or groups of individuals that are especially knowledgeable about or experienced with a phenomenon of interest.

Data Collection Method

To collect the research data, primary data collection was used through interview. Primary data refer to information obtained first-hand by the researcher on the variables of interest for the specific purpose of the study.

RESULT AND DISCUSSION

Result

The result from the interview which is conducted in twenty SMEs in Manado especially for food and beverages that have partnered with Gojek.

Informant 1

Informant 1 is the owner of Brownice Mdc, Zefanya Mokodongan. According to Anya the pre-requisite to do cooperation with Gojek are not hard, she only give several documents such as ID and also agreement of 20% in profit sharing, she stated that she added a new menu and variant in her business because of this partnership and she want a long term relationship with Gojek since her business develop through this partnership by 60% increase of her profit and customer also increase in business exposure.

Informant 2

Informant 2 is Natasya Winda the owner of Bakost.id. According to Acha, Gojek only asked for ID card, photo of business place and photo of the menu. Gojek also asked for 20% of profit sharing for each transaction using Gojek application, and she planned to a long-term relationship with Gojek because she she think Gojek is very helpful in this era for those who wanted to start a business just by focusing on the products, she also stated that her business growing through this partnership by 100% increase of her profit and customer also her business exposure.

Informant 3

Informant 3 is Jonathan Kanter, owner of Bar n Bar. According to Bar he joined with Gojek since 2017 and Gojek is the one that offer the partnership to the him and the pre-requisites for the partnership are only menu input for the application and also agreement of 20% in profit sharing. Bar stated that this partnership goals is to give the advantages for both parties. At first he is not looking for a long term relationship with Gojek because of the menu is not designed for takeaway but because Gojek is the one that offer the partnership so there is nothing to lose by doing this partnership. For the customer and profit he stated that it's increase by 10-15% also the business exposure increased.

Informant 4

Informant 4 is Nouval Rantung the owner of Black Cup. According to Nouval he do the partnership with Gojek since 2016 his planning is to have a long term relationship with Gojek because he is sure with the application that Gojek made which is Go-Food, for the planning and joint-goal setting Noval stated that this partnership is to give the both parties a mutual benefit, for the profit and customer he stated that its increase but not that significant since the customers prefer to come directly to the store, and of course its increase his business exposure.

Informant 5

Informant 5 is Gaby the owner of Tikala Kuy. According to Gaby she joined the partnership since 2019 and her business is growth by this partnership so she looking for a long term relationship with Gojek since her customer and profit increase by 50% since this partnership start also the business exposure growth through this partnership.

Informant 6

Informant 6 is Angelica Rarung the owner of Bakmie Bochan. According to Angel she does partnership with Gojek since 2019 and she looking for a long term relationship with Gojek because of the growth that her business got from this partnership that give a mutual benefit for both parties. And when it's come to profit and customer she stated that its increase 20% and also her business exposure growth even not that significant.

Informant 7

Informant 7 is Etsuko Takada, owner of Etsuko Kitchen. Doing partnership since 2019, according to Etsuko this partnership is aim to give a mutual benefit for both parties, and since her business growth by this partnership so she stated to do a long term relationship with Gojek by seeing her customer and profit increase to 85% because now her customer is mainly come from Gojek so it is clear that her business exposure are growth.

Informtant 8

Informant 8 is Ian Pinasang, owner of Dapur Pinggir Kampus. According to Ian he does partnership with Gojek since 2019 and he planned to do a long term relationship with Gojek because of the advantage that he got from this partnership, by looking for a same purpose which are to gain profit so this partnership is aim to give a mutual benefit for both parties. And when it's come to customer and profit, he stated that its increase by 10% and of course his business exposure are growth by this partnership.

Informant 9

Informant 9 is Eka Christian owner of New Ayam Bandung. According to Eka she does partnership since 2018 and for the pre-requisites to do partnership with Gojek are ID cards, photo of the business place, bank account and 20% of profit sharing. She stated that she looking for a long term relationship with Gojek because Gojek help her business to improve, and for the customer and profit she stated that it increase but not that significant and it goes the same with the business exposure.

Informant 10

Informant 10 is Boni Christian, owner of Bubur Ayam Manado. According to Boni the existence of Gojek become one of his reason to open the business and hope the partnership can help his business to grow and it is happened, since he does the partnership on 2019, his business are growth so he looking for a long term relationship with Gojek since the goals of this partnership is to give a mutual benefit for both parties. When it comes to profit and customer, he stated that its growth by 60% and its really help in terms of increasing the business exposure.

Informant 11

Informant 11 is Nazar Palamani, owner of Bacirita Kopi. According to Nazar he does partnership with Gojek since 2019 and he looking for a long term relationship with Gojek since his business growth through this partnership. This partnership aims to give a mutual benefit for both parties, so Gojek got 20% for each transaction by their application and he got his profit and customer increase by 30% and it goes the same with his business exposure.

Informant 12

Informant 12 is Pamela, owner of Dishbowl. According to Pamela she does partnership with Gojek since the business started at 2017, and she stated that she want a long term relationship with Gojek because of the benefit that she got from this partnership by looking at her sales that dominated by Gojek user. When it comes to profit and customer she said that its increase by 80% and absolutely the business exposure are expand.

Informant 13

Informant 13 is Gaby Siagian, owner of Fruity Lovely. According to Gaby, she want a long term relationship with Gojek because this partnership is really help her business growth by seeing the increase of her

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customer 80%, also her business exposure expand through this partnership and she stated that Gojek really help her business to grow.

Informant 14

Informant 15 is Menthari Regita, owner of Driell Dessert. According to Thari she did partnership with Gojek two months after she established the business; according to Thari the requirements given by Gojek are identity card, picture of business place and picture of the menu. At the first time she looking for a long term partnership, but because she move to new place which is far from the city full of people I de-activated Driell Dessert from Gojek and she only activate the account again when she is in Manado.

With this partnership she have 75% of customer and profit increase. Now almost all the customer and sales that she get is from the customers that used Gojek application.

Informant 15

Informant 15 is Boni Christian Lengkong, owner Salad Jus dan Buah. He stated he already did partnership with Gojek for 7 months now and the pre-requisites that asked by Gojek are not hard to obtain such as identity card, email, telephone number, photo of place and menu. He is looking for a long-term relationship for this partnership and there is a profit sharing between his business and Gojek, 20% of sales go to Gojek and 80% for his business also he stated his customer and profit increase 80% also this partnership make his business exposure expand.

Informant 16

Informant 16 is Noval Rantung, owner of Emm Coffee. According to Noval, he has a plan for long term relationship with Gojek considering the concept of EmmCoffee itself is a takeaway service. He rely on the service that Gojek provide, he also stated Gojek ask for 20% per transaction that customer do using Gojek application, and for the customer and profit he stated that Gojek contribute around 20% of his profit and its give impach for his business exposure.

Informant 17

Informant 17 is Natasya Winda owner of Kopituya Coffee. According to Natasya she does the partnership with Gojek since they open the business, and she looking looking for long-term relationship, because one of the main reasons I want to open this new business is because the Gojek service itself. She stated both parties want mutual benefits, gojek get 20% of sales using Gojek application and she also get the benefit for the business here and for the profit and customer its increase by 100%.

Informant 18

Informant 18 is Pamella owner of Contour Coffee. According to Pamela she does partnership since 2018 and for the the pre-requisites to do partnership with Gojek only asked for identity card, picture of the coffee shop itself, picture of the menu, and ask for 20% commission for each transaction that customer does via Gojek. She stated that she looking for a long term relationship with Gojek but for right now she's stop the partnership with Gojek because the profits from Gojek transaction has not been transferred to me for several months. For profit and customer she stated that here is an increase but not significant because the main dishes is coffee, the customer prefer to buy the products directly to coffee shop rather than using Gojek application.

Informant 19

Informant 19 is Wisa Samudra, owner of Ayam Penyet Sugih Rasa. According to him, his business already does partnership with Gojek from the establishment of the business; he stated the requirements that given by Gojek are easy such as identity card, picture of menu and business place, and lastly 20% of profit sharing. He stated that he looking for a long-term relationship, because since he do this partnership the business developed rapidly and the number of profit and customer also increase significantly.

Informant 20

Informant 20 is Joan Elisa, owner of PorkBowl. According to her the business does partnership with Gojek since 2018. She stated that her profit and customer increase significantly by almost 100%, she is satisfied with the partnership with Gojek , people can access this place easier and they do not have to come directly to the place in order to get my product. In terms of business exposure she's also satisfied with this partnership because

many customers know about her business through Gojek and the number of followers on social media also increases.

Discussion

Business Partnership become one of the important role in determining business success, by conducting a business partnership both parties can further expand their respective businesses. Basically the purpose and objective of the partnership is to help the partners and certain parties in establishing a win-win solution and be responsible, Three fundamental aspects of the partnership: partnership is a field that can be mutually beneficial for both parties, the partnership finally considers success that involves cooperation in creating new values together rather than just the flow of exchange between them., they do not control each other through a formal system but they are a very strong network for individual relations and internal infrastructure resulting from the learning process. Small and medium businesses are businesses that are experiencing development in Indonesia, by looking at opportunities that are profitable and do not require huge capital to start this business, making many new small businesses emerge. This research aims to analyze how business partnership with Gojek affect the improvement of SMEs in Manado. This research using qualitative method with in-depth interview to collect the data. The samples in this research are 20 owners of SMEs from food and beverages sector in Manado. After conducting interviews for 20 respondents, the result shows that business partnership with Gojek has a significant influence on SMEs improvement in Manado. Proven by their statement that their business improved by this partnership.

Partnership Commitment

The result showed that 19 informants agree for 20% of profit sharing and 80% goes to their business; most of the informants also need to fulfill pre-requisites in order to be in this partnership meanwhile there is only one informant that did not have to sign the agreement for this partnership and that informant are informant 4 because the partnership is offered directly by Gojek at first, but by the time informant 4 have to sign the agreement about the partnership.

Partnership Mutuality

The result showed that all informant agreed that this partnership help their business to grow with the promotion that Gojek offer for their customer through the application while Gojek also have the compensation by 20% from each transaction, according to Informant 20, Gojek help her business to grow with the promotion that Gojek offer to the customer on Gojek application, also according to informant 2 her business increase 100% through this partnership, and from informant 7 she said that her business develop by the increase of her customer through this partnership.

Partnership Outcome

The result on partnership outcome is it can say this partnership successful by the statement of all informant that wanted to do a long-term relationship with Gojek and they all agree that this partnership give mutual benefit to each parties involved. Gojek help them in developing their businesses; it can be seen by the numbers of customers that increased caused by the partnership. Not only customers but also profit and the branding of the business get much exposure as well; SMEs related also fulfill the partnership agreement in giving 20% of profit to Gojek as well. The partnership between Gojek and SMEs in Manado help the business to grow and also give opportunity in order to start a business altogether.

Profit

The result showed all informant experienced an increase number in their profit but not all have the same percentage of increase, there are 11 of 20 informants that have experienced the increase in profit by above 50%, those are informant 2, 5, 7, 10, 12, 13, 14, 15, 17, 19, 20. Meanwhile, informant 1, 3, 4, 6, 8, 9, 11, 16, 18 stated that their profit increase below 50%. Informant 20 stated that her profit increase by 100% and she really satisfied with the increase number of the profit.

Customer

The result on customer related numbers are all informants have stated that their customer related number increased; the result showed that there 12 of 20 informant stated that their customer number increased significantly through this partnership and those are informat 1, 2, 5, 7, 10, 12, 13, 14, 15, 17, 19, 20. Meanwhile informant 3, 4, 6, 8, 9, 11, 16, 18 stated that their number of customer increase through this partnership but not that significant.

According to informant 18; the customer increased but not that significant because of their main product is coffee. So the customers prefer to come directly to their business place rather than using Gojek application.

CONCLUSION AND RECOMMENDATION

Conclusion

This research is conducted to find out how business partnership with Gojek affect the improvement of SMEs in Manado. After the result and the discussion on previous chapter it can be concluded that business partnership with Gojek gives improvement to SMEs in Manado; however there is two owners that stop the partnership with Gojek. It is not because their business not improving with this partnership; the reasons are because of the error within the payment system and the other one is because they have to move their business place. The result can be defined as doing partnership with Gojek is beneficial since all the SMEs agree that their business improved after doing partnership with Gojek, even though not all of the businesses have significant improvement but in the end Gojek help these owners to develop their businesses.

Recommendation

SMEs on Gojek application has become a popular partnership in Manado; this partnership help SMEs in Manado to grow. Based on the research all the SMEs can develop even though there are some that do not experienced a significant impact from the partnership. In this problem the SMEs need to concern more on what factor that can make this partnership successful; such as the innovation on their products, and the promotion, so they maximize the benefits from the partnership. Gojek also need to maximize their application system and fix it if necessary so it can help the performance of SMEs that do partnership with Gojek too. With the benefits offered by Gojek to help the development of SMEs in Manado; there is an issue regarding safety of the online driver. There are some places that are still will not accept the existence of Gojek; in this problem the government needs to give the sense of safety for both parties in order for them to keep doing partnership in the future.

The researcher hopes this research can give more information about business partnership to SMEs in Manado since it could improve their businesses and hopefully this research will be beneficial for the future researchers in doing their research using the findings regarding to the topic; even help as guidance in selecting the method of the research about business partnership.

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